

SENATE BILL REPORT

SB 6129

As Reported by Senate Committee On:
Ways & Means, April 21, 2009

Title: An act relating to fiscal matters..

Brief Description: Relating to fiscal matters.

Sponsors: Senator Prentice.

Brief History:

Committee Activity: Ways & Means: 4/21/09 [DPS].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6129 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Tom, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Carrell, Hobbs, Honeyford, Keiser, Kline, Kohl-Welles, McDermott, Oemig, Parlette, Pflug, Pridemore, Regala and Schoesler.

Staff: Elise Greef (786-7708)

Background: Initiative 732, adopted by voters in November 2000, provides that an annual cost-of-living adjustment (COLA) is granted to K-12 teachers and other public-school employees, as well as to academic employees of community and technical college districts and classified employees of technical colleges. The COLA is based on the Seattle consumer-price index (CPI) compiled by the United States Department of Labor, Bureau of Labor Statistics.

The Senate 2009-11 operating budget proposal passed by the Senate Ways & Means Committee on April 16, 2009, assumes savings of \$362 million in K-12 and of \$35 million in higher education through the temporary suspension of Initiative 732.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Substitute): Existing statute is amended to allow for the temporary suspension of cost-of-living increases for school-district employees during school

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years 2009-10 and 2010-11, and of academic employees of community and technical college districts and classified employees of technical colleges during fiscal years 2010 and 2011.

Beginning in the 2011-13 biennium and thereafter, the Legislature must provide, on an expedited basis and to the extent financially feasible, additional cost-of-living allocations necessary to regain the level of funding that would have been achieved without the suspension.

The bill contains an emergency clause to allow the effective date to match the effective date of the 2009-11 Omnibus Appropriations Act (July 1, 2009).

Appropriation: None. However, savings associated with the bill are assumed in the Senate Ways & Means adopted 2009-11 operating budget.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: None.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2009.

Staff Summary of Public Testimony: CON: The Washington Education Association (WEA) formally opposes this bill; however, the magnitude of the budget deficit and the fact that no employees are receiving raises is understood. Teachers are unique in that they are actually receiving pay cuts next biennium. The loss of one or more learning-improvement days translates to lower pay and, though the contracts will reflect fewer days worked, most teachers will be working those days anyway. The provision for recapturing lost ground in future biennia is appreciated but the House language is preferred since it provides a certain date for when that will occur.

Persons Testifying: CON: Randy Parr, WEA; Doug Nelson, Public Service Employees/Service Employees International Union 1948.